Is Your Business Better Because of Us?

THE JOURNEY TO DETERMINING IMPACT

Teasdel, Ashely
SC DEPARTMENT OF COMMERCE | 12-27-2019

<u>Background</u>

The South Carolina Department of Commerce (SCDOC) is the economic and business recruiting arm of the State. Collectively we work together to create opportunities for South Carolinians by promoting:

- Job creation

- Economic growth

- Improving living standards

It is our vision that South Carolina's economy will become more competitive in a global economy, proving South Carolinians of all ages and skill levels an opportunity to maximize their talents and abilities. The agencies has built momentum over the past several years and in 2018 the state won 162 economic development projects, accounting for more than $4.1 billion in capital investment and approximately 14,000 new jobs. Not only does this create new opportunities for citizens, these projects will help diversify the state's economy making it more resilient and prosperous in the years to come. Economic growth also comes in the form of supporting the growth and sustainability of small and existing industry within the state. We firmly believe that every business, large or small, deserves all the benefits available to them to be as competitive as possible. We support small and existing industry through our Business Services Division in the form of programmatic offerings, which are:

- Existing Industry Program

- Recycling Market Development Program

- Supplier Outreach Program

- Small Business Support

- Emergency Management Support (ESF24)

Through these programs, we provide services to help support companies throughout its growth and development phases. We work with statewide partners to deliver tools and services to help our small and existing industry be as successful as possible.

Problem Statement

The Division has experienced an increase over the past few years in business support inquiries, which points to the quality of service, relevant programmatic support based on the needs in the marketplace and program brand awareness. On average annually, the division assist over 900+ South Carolina companies with various needs. The assistance request can come in the form of small business opportunities, manufacturing needs, workforce support, recycling/waste stream support, supply chain development or emergency management support during the time of a natural disaster. Currently a consistent process for measuring the outcomes to understand the impact that our internal programs are having on the state's business community does not exist. This is important to establish within the workplace because it is good to know you have served over 900+ customers, but it is of greater importance to understand how those programs have/are making a bottom line impact to your business community. We know we give quality service but now is the time to understand true impact. The goal of this project is to research customer follow up programs, processes and/or systems and determine applicable performance measures that I could implement within my divisions procedures.

Data Collection

The primary data collection was provided by interviews with well-established economic development organizations within South Carolina that have experience not only serving small and existing industry but a track record of reporting ROI/Impact Reports on an quarterly/annual basis. This collection method was selected to help provide a baseline in how each organization determined what measurable(s) were most important to them and their stakeholders, what systems/procedures were best for the outcomes they were seeking and procedural timelines that are important not to deviate from. These interview sources were The South Carolina Manufacturing Extension Partnership, The Greenville Chamber of Commerce MBA Program and The South Carolina Small Business Development Corporation.

Digital articles and subject matter expert presentation content were researched for data collected with this project. These sources were Constant Contact, Survey Monkey, and "What Gets Measured Gets Done" presentation by Creative Economic Development Consulting Inc.

Data Analysis

Below are key findings based upon data collected from each organization and articles researched:

- Customer feedback process and procedures shows the value of your program through direct response from whom you serve.
- Feedback answers the question of how do you make a difference vs just reporting quantity of what you do.

- *Key takeaway from all organizations*: You will only know your impact unless it is directly from the source-the customer.
    - Your customer is the only source that can tell you how you are making a difference.
    - Two only forms for receiving this feedback: face to face or via survey platform.
    - Determine early who your true customer really is. (Core service within your division)
- Has to be a standard part of your program/departments processes that you don't deviate from.
- Being a service provider, which we are, (mainly making resource connections to outside economic development entities) means your feedback frequency need to be shorter than most.
    - Waiting to gather feedback from your customers 6-12 months out is too long. Customer may not remember what has happened since then.
    - All organizations recommended a quarterly process, not waiting any more than 3 to 4 months to loop back with customers.
    - Be mindful that in some cases it takes longer for any real impact to show itself to a company.
    - Determine the scope of your questions based on what story you would like to tell from the data retrieved. Important questions to ask yourself:

- o If you are looking for qualitative data, how much depth are you looking explore through your questions?

- o How comfortable will you customers be sharing that data?

- o What is the right balance to strike, especially as a governmental agency?

- Some groups use outside parties to make calls to customers but the best success has been the "personal touch" which comes from the employee who actually worked directly with the customer whether its via email, telephone call or face to face.

- Less questions are better. Surveys that are too long overwhelm the customer and tend to be unsuccessful.

- Have a contingency plan for low participation.

  - o This can be in the form of follow –up phone calls or visits to the company after reviewing the first round response rate to be low.

  - o On average, a 25-30% participation rate on surveys is the goal and expected if questions are carefully organized and the survey is executed/distributed with quality. The national average response rate for outside surveys is 10-15%.

Implementation

The implementation of a new business follow-up process is currently in progress as a pilot. After conducting all interviews and analyzing the data collected, the decision was made that a survey to business customers would be the best approach. The pilot process began Dec. 2nd 2019. The process is structured accordingly:

- Survey administered through Survey Monkey. Found this tool to look the best whether taken on computer, cellphone or iPad. Also gave the best form of analytics when the data starts to trickle in.

- No cost to the division because the agency already has a Survey Monkey account.

- Survey period will be tagged as "Blackout Period". Employees will have this blocked off on their calendars.

- Each employee has a survey calendar along with supporting documentation needed for each period.

- Decided to structure the survey with only **2 questions** in which companies have the option to select what applies to them.

  o Selection options were carefully selected based on the division coming together to determine what impact measurements would be most important to know in correlation to how we help companies on a daily basis.

  o We tested this format and it takes exactly one minute to complete the survey

- Survey will go out quarterly to businesses/organizations we serviced during a face-to-face company visits or at an outreach event (ex. B2B event, Supplier Outreach, etc.). Companies are identified through cases in CRM (Client Relationship Management System) that have been "resolved".

  o *Resolved* means we have accessed the business need, customer has been connected along with actively working with the appropriate resource and we can officially close out that case in CRM to resolved status.

- o Each case manager assigned to a specific resolved case will send the survey via email to the company. If the case manager is out interns can complete.

- o Sample email for everyone to use or tweak to their liking (below):

Email Sample:

Your firm has recently engaged with the SC Department of Commerce XXX Program where connections were made to various resource partners to assist with your business needs. Please take a moment to complete a brief survey to help identify areas of impact and future opportunities for your business. If there are others within your organization that may have utilized Commerce resources, please feel free to share this survey link with them as well. It will take less than 1 minute of your time to complete, https://www.surveymonkey.com/r/5YW5NCG. Thank you in advance for your feedback and for contacting SCDOC for your business needs. Your survey will help us better serve you in the future. Please do not hesitate to give me a call if additional information or resources are needed.

- For the first pilot round, we pulled all division resolved cases from July 1st 2019 to October 31st 2019, which totaled 276. Next scheduled survey period will the week of April 6th-17th 2020 for resolved cases dated Nov. 1st 2019-Feb. 28th 2020.

- Business Reporting Manager pulls all reports from CRM, extracts to an Excel file and each case manager will have a designated tab with all resolved cases assigned to them. Reporting Manager also ensures before distribution that there are not any duplications/overlap in assignments so one company does not get multiple surveys.

We effectively rolled out the first round Dec. 2nd through Dec. 13th 2019.
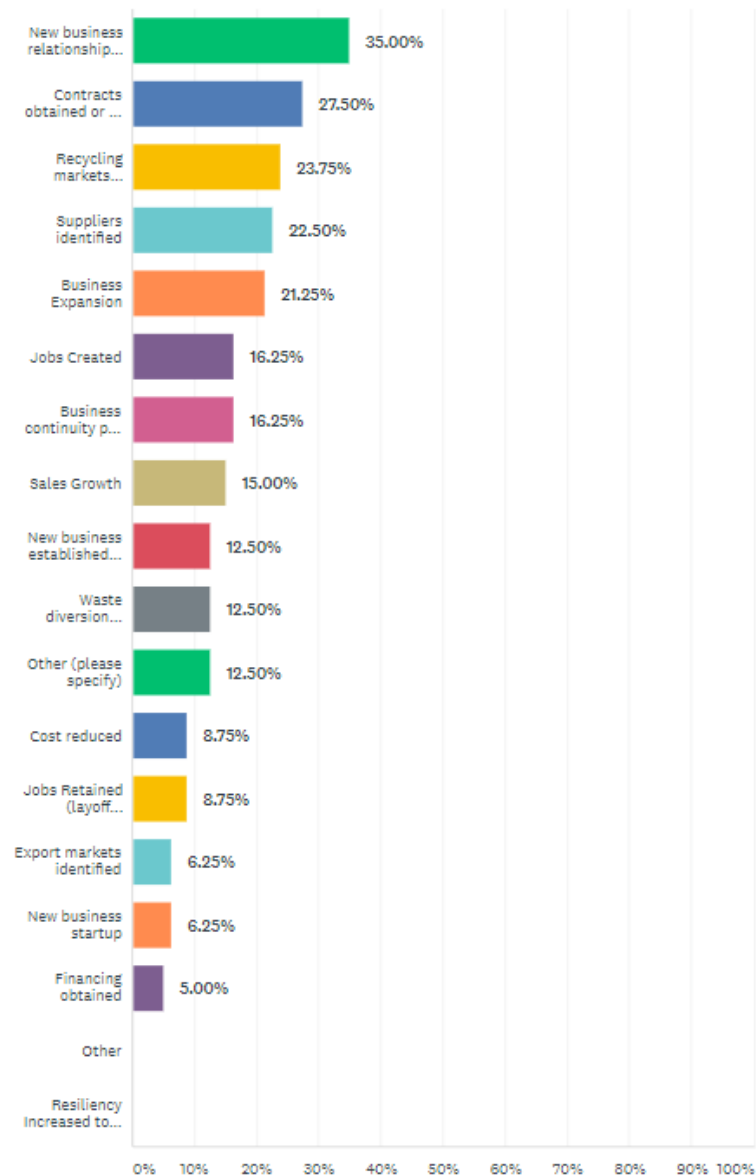
Results

- 276 survey sent

- 83 company responses

- 30% participation (the average rate is 10-15%)

- 1 minute, 39 seconds average time spent on the survey

QUESTION 1:

Select any of the following that has been a direct impact to your business or organization as a result of the connections made to various resource partners:

Answered: 80   Skipped: 3

Category	Percentage
New business relationship...	35.00%
Contracts obtained or ...	27.50%
Recycling markets...	23.75%
Suppliers identified	22.50%
Business Expansion	21.25%
Jobs Created	16.25%
Business continuity p...	16.25%
Sales Growth	15.00%
New business established...	12.50%
Waste diversion...	12.50%
Other (please specify)	12.50%
Cost reduced	8.75%
Jobs Retained (layoff...	8.75%
Export markets identified	6.25%
New business startup	6.25%
Financing obtained	5.00%
Other	
Resiliency Increased to...	

(DETAILED BREAKDOWN ON NEXT PAGE)

ANSWER CHOICES		RESPONSES	
▼ New business relationships as a result of B2B outreach events		35.00%	28
▼ Contracts obtained or in progress		27.50%	22
▼ Recycling markets identified		23.75%	19
▼ Suppliers identified		22.50%	18
▼ Business Expansion		21.25%	17
▼ Jobs Created		16.25%	13
▼ Business continuity plan established or improved		16.25%	13
▼ Sales Growth		15.00%	12
▼ New business established through market development support		12.50%	10
▼ Waste diversion increased		12.50%	10
▼ Other (please specify)	Responses	12.50%	10
▼ Cost reduced		8.75%	7
▼ Jobs Retained (layoff aversion)		8.75%	7
▼ Export markets identified		6.25%	5
▼ New business startup		6.25%	5
▼ Financing obtained		5.00%	4
▼ Other		0.00%	0
▼ Resiliency Increased to your business as a result of disaster assistance		0.00%	0
Total Respondents: 80			

QUESTION 2:

In the future, what do you see as the three most important strategic opportunities and/or challenges for your company or organization?

Answered: 83   Skipped: 0
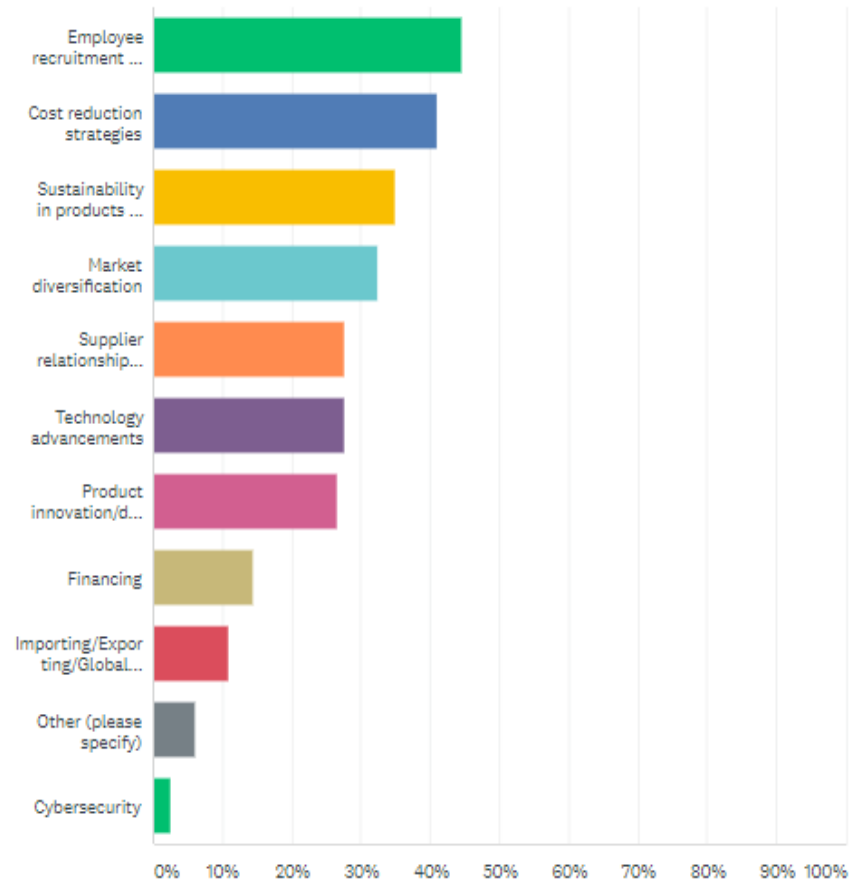
(DETAILED BREAKDOWN ON NEXT PAGE)

ANSWER CHOICES		RESPONSES	
Employee recruitment and retention		44.58%	37
Cost reduction strategies		40.96%	34
Sustainability in products and processes		34.94%	29
Market diversification		32.53%	27
Supplier relationship management		27.71%	23
Technology advancements		27.71%	23
Product innovation/development		26.51%	22
Financing		14.46%	12
Importing/Exporting/Global engagement		10.84%	9
Other (please specify)	Responses	6.02%	5
Cybersecurity		2.41%	2
Total Respondents: 83			

Evaluation Method

To determine how effective the new process/procedures have been we will continue to track how successful each survey period goes from employee execution to company responses. Quarterly meetings will be held to review the data and discuss how the process is working, what needs to be changed, survey tweaks, company engagement (participation %'s), questions that need to be added for more in-depth responses, etc. The Business Services Division team has been instrumental in the implementation of these changes, especially the Business Reporting Manager. Team members within the division were onboard from the very beginning because they understood the 'why" behind the process and what we could glean and gain from the data.

<u>Summary and Recommendations</u>

In summary, this project has shown that a continual process of follow-up is essential to a division such as ours and should be treated as a standard internal procedure. Determining the needs of our companies can only come from them directly so having a platform to hear their voice regularly is a positive. Key findings from the results indicated that our programs are truly making a difference to companies across this great state.

References

- Sean Garrity, https://www.hostingadvice.com/blog/how-surveymonkey-improves-product-direction-and-satisfies-customers/- How SurveyMonkey Helps 99% of Fortune 500 Companies Improve Products, Bolster Marketing Efforts, and Increase Customer Satisfaction

- Survey Monkey Research Center, https://www.surveymonkey.com/curiosity/3-types-of-business-changing-insights-you-can-get-from-surveys/- 3 Types of business-changing insights you can get from surveys

- Survey Gizmo, https://www.surveygizmo.com/resources/blog/survey-response-rates/ - What's a good survey response rate?

- Crystal Morphis, "What Gets Measured Gets Done"- Creative Economic Development Consulting Inc.